

PREVAILED

Roll Call No. _____

FAILED

Ayes _____

WITHDRAWN

Noes _____

RULED OUT OF ORDER

HOUSE MOTION _____

MR. SPEAKER:

I move that House Bill 1001(ss) be amended to read as follows:

1 Page 87, delete lines 32 through 42, begin a new paragraph and
2 insert:

3 **"Chapter 12.2. Partial Inventory Tax Phase Out**

4 **Sec. 1. As used in this chapter, "assessed value of inventory"**
5 **means the assessed value determined after the application of any**
6 **deductions or adjustments that apply by statute or rule to the**
7 **assessment of inventory, other than the deduction established in**
8 **section 3 of this chapter.**

9 **Sec. 2. As used in this chapter, "inventory" has the meaning set**
10 **forth in IC 6-1.1-3-11.**

11 **Sec. 3. (a) A part of the property tax assessment against**
12 **inventory located in Indiana shall be phased out over five (5) years.**
13 **To phase out the property tax on inventory, a taxpayer is entitled**
14 **to a deduction from the assessed value of inventory assessed in a**
15 **year equal to a percentage of assessed valuation specified in**
16 **subsection (b).**

17 **(b) The percentage used to determine the amount of the**
18 **deduction allowed under subsection (a) is as follows:**

19	YEAR OF ASSESSMENT	PERCENTAGE
20	2002	10%
21	2003	20%
22	2004	30%
23	2005	40%

1 **2006 and thereafter 50%".**

2 Page 88, delete lines 1 through 11.

3 Page 107, delete lines 11 through 29, begin a new paragraph and
4 insert:

5 **"(j) "Eligible property tax replacement amount" is equal to the**
6 **sum of the following:**

7 (1) Fifty percent (50%) of the total levy imposed by each
8 school corporation in a county for its transportation fund for
9 a stated assessment year, less any part of the levy imposed on
10 inventory.

11 (2) Forty-one percent (41%) of the total levy imposed by each
12 school corporation in a county for its general fund for a stated
13 assessment year, less any part of the levy imposed on
14 inventory.

15 (3) Twenty percent (20%) of the total county tax levy, less any
16 part of the total county tax levy attributable to a levy for the
17 general fund or transportation fund of a school corporation,
18 imposed in a county on real property for a stated assessment
19 year.

20 (4) Twenty percent (20%) of the total county tax levy, less any
21 part of the total county tax levy attributable to a levy for the
22 general fund or transportation fund of a school corporation,
23 imposed in a county on tangible personal property, excluding
24 inventory and business personal property, for a stated
25 assessment year.

26 (5) The percentage listed in the following table of the taxes
27 described in subsection (g)(1)(A) imposed in a county on
28 inventory for the listed assessment year:

29 **YEAR OF ASSESSMENT**
30 **PERCENTAGE**

31 **2002 56%**

32 **2003 63%**

33 **2004 72%**

34 **2005 84%**

35 **2006 and thereafter 100%".**

36 Page 107, delete lines 37 through 42, begin a new paragraph and
37 insert:

38 **"(l) "Eligible property" means:**

39 (1) with respect to an ad valorem property tax levy imposed
40 by a school corporation for its general fund or transportation
41 fund, all property assessed under this article other than
42 inventory;

43 (2) with respect to a total county tax levy, less any part of the
44 total county tax levy attributable to a levy for the general
45 fund or transportation fund of a school corporation:

46 (A) real property; and

47 (B) tangible personal property other than inventory or

business personal property; and
 (3) for purposes of calculations under subsections (j)(5) and
 (m)(5), inventory."

Page 108, delete lines 1 through 24 and insert:

"(m) "Taxpayer's property tax replacement credit amount"
 means the sum of the following:

(1) Fifty percent (50%) of a taxpayer's tax liability in a
 calendar year for taxes imposed by a school corporation for
 its transportation fund for a stated assessment year, less the
 part of that liability attributable to inventory.

(2) Forty-one percent (41%) of a taxpayer's tax liability in a
 calendar year for taxes imposed by a school corporation for
 its general fund for a stated assessment year, less that part of
 that liability attributable to inventory.

(3) Twenty percent (20%) of a taxpayer's tax liability for a
 stated assessment year for a total county tax levy, less any
 part of the total county tax levy attributable to a levy for the
 general fund or transportation fund of a school corporation,
 on real property.

(4) Twenty percent (20%) of a taxpayer's tax liability for a
 stated assessment year for a total county tax levy, less any
 part of the total county tax levy attributable to a levy for the
 general fund or transportation fund of a school corporation,
 on tangible personal property other than inventory or
 business personal property.

(5) The percentage listed in the following table of a taxpayer's
 tax liability for a listed assessment year for taxes described in
 subsection (g)(1)(A) imposed in a county on inventory:

**YEAR OF ASSESSMENT
 PERCENTAGE**

2002	56%
2003	63%
2004	72%
2005	84%
2006 and thereafter	100%".

Page 134, delete lines 1 through 21, begin a new line block
 indented and insert:

"STATE	GROSS RETAIL INCOME		
GROSS	FROM THE		
RETAIL	RETAIL UNITARY		
TAX	TRANSACTION		
\$ 0		less than	\$.10
\$.01	at least \$.10;	but less than	\$.30
\$.02	at least \$.30;	but less than	\$.50
\$.03	at least \$.50;	but less than	\$.70
\$.04	at least \$.70;	but less than	\$.90
\$.05	at least \$.90;	but less than	\$1.10

1	\$ 0		less than	\$0.08
2	\$ 0.01	at least \$ 0.08	but less than	\$0.23
3	\$ 0.02	at least \$ 0.23	but less than	\$0.38
4	\$ 0.03	at least \$ 0.38	but less than	\$0.54
5	\$ 0.04	at least \$ 0.54	but less than	\$0.69
6	\$ 0.05	at least \$ 0.69	but less than	\$0.85
7	\$ 0.06	at least \$ 0.85	but less than	\$1.00
8	\$ 0.07	at least \$ 1.00	but less than	\$1.15
9	\$ 0.08	at least \$ 1.15	but less than	\$1.31
10	\$ 0.09	at least \$ 1.31	but less than	\$1.46
11	\$ 0.10	at least \$ 1.46	but less than	\$1.62
12	\$ 0.11	at least \$ 1.62	but less than	\$1.77
13	\$ 0.12	at least \$ 1.77	but less than	\$1.92
14	\$ 0.13	at least \$ 1.92	but less than	\$2.08

On a retail unitary transaction in which the gross retail income received by the retail merchant is ~~one dollar~~ **two dollars** and ~~ten~~ **eight** cents (~~\$1.10~~) (**\$2.08**) or more, the state gross retail tax is ~~five six and five-tenths~~ percent (~~5%~~) (**6.5%**) of that gross retail income."

Page 142, delete line 1, begin a new line block indented and insert:
 "(1) ~~five six and five-tenths~~ percent (~~5%~~); (**6.5%**); multiplied by".

Page 142, delete lines 16 through 22, begin a new paragraph and insert:

"(b) A retail merchant's "income exclusion ratio" for a particular tax year equals a fraction, the numerator of which is the retail merchant's estimated total gross retail income for the tax year from unitary retail transactions which produce gross retail income of less than ~~ten~~ **eight** cents (~~\$1.10~~) (**\$0.08**) each, and the denominator of which is the retail merchant's estimated total gross retail income for the tax year from all retail transactions."

Page 142, delete line 42, begin a new paragraph and insert:

"(b) The allowance equals ~~one seven hundred sixty-nine thousandths~~ percent (~~1%~~) (**0.769%**) of the retail merchant's state gross retail and use tax liability accrued during a reporting period."

Page 143, delete lines 1 through 2.

Page 143, delete line 14, begin a new line block indented and insert:

"(ii) ~~five~~ (**2**) ~~six and five-tenths~~ percent (~~5%~~); (**6.5%**)".

Page 143, delete line 26, begin a new line block indented and insert:

"(ii) ~~five~~ (**2**) ~~six and five tenths~~ percent (~~5%~~); (**6.5%**)".

Page 144, delete lines 8 through 19, begin a new paragraph and insert:

"(b) Concurrently with filing the report, the retail merchant shall remit the state gross retail tax in an amount which equals ~~one twenty-first~~ (~~1/21~~) **six and one hundred three thousandths percent** (**6.103%**) of the gross receipts, including state gross retail taxes but excluding Indiana and federal gasoline and special fuel taxes, received

1 by the retail merchant from the sale of the gasoline and special fuel that
 2 is covered by the report and on which the retail merchant was required
 3 to collect state gross retail tax. The retail merchant shall remit that
 4 amount regardless of the amount of state gross retail tax which ~~he the~~
 5 **retail merchant** has actually collected under this chapter. However,
 6 the retail merchant is entitled to deduct and retain the amounts
 7 prescribed in subsection (c), IC 6-2.5-6-10, and IC 6-2.5-6-11."

8 Page 144, delete lines 36 through 42, begin a new line block
 9 indented and insert:

10 "(1) ~~Forty~~ **Thirty and seven hundred sixty-nine thousandths**
 11 percent ~~(40%)~~ **(30.769%)** of the collections shall be paid into the
 12 property tax replacement fund established under IC 6-1.1-21.

13 (2) ~~Fifty-nine and three-hundredths~~ **Sixty-eight and four**
 14 **hundred eighty-four thousandths** percent ~~(59.03%)~~ **(68.484%)**
 15 of the collections shall be paid into the state general fund.

16 (3) ~~Seventy-six hundredths~~ **Five hundred eighty-five**
 17 **thousandths** of one percent ~~(0.76%)~~ **(0.585%)** of the collections
 18 shall be paid into the public mass transportation fund established
 19 by IC 8-23-3-8.

20 (4) ~~Four hundredths~~ **Thirty-one thousandths** of one percent
 21 ~~(0.04%)~~ **(0.031%)** of the collections shall be deposited into the
 22 industrial rail service fund established under IC 8-3-1.7-2.

23 (5) ~~Seventeen hundredths~~ **One hundred thirty-one thousandths**
 24 of one percent ~~(0.17%)~~ **(0.131%)** of the collections shall be
 25 deposited into the commuter rail service fund established under
 26 IC 8-3-1.5-20.5."

27 Page 145, delete lines 1 through 10.

(Reference is to HB 1001(ss) as printed June 3, 2002.)

Representative Kuzman